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Clinton/Gore Failed Gas Policies Hurting Consumers

For the past year, the Clinton Administration has stood by silently as oil prices have escalated rapidly. Since the Clinton/Gore Administration took office, congressional Republicans have prodded them to get serious about an energy policy that reduces foreign dependence. Instead, we've seen this president grasping at straws — like sending his Energy secretary to beg for mercy from OPEC nations [see RPC's "Blame Clinton/Gore for Increased Fuel Prices," 2/28/00]. Now, with energy experts predicting severe oil price spikes coming this summer, the administration's inaction and the Clinton/Gore fuel tax stand directly in the path of much-needed relief for American consumers.

According to the Department of Energy, Americans in some regions could be paying as much as $2.00 per gallon this summer when they fill their tanks. Already, regional gas prices are over $1.50 per gallon, up eight cents in the last week alone. (Diesel fuel hit $2 per gallon in certain regions of the country earlier this year.) What do these projected prices mean to American families?

- **Motor Fuel Prices:** Gas prices reached their recent low last February at 95 cents per gallon of unleaded regular gas. If gas hits $2 per gallon this summer, that means filling up your 20-gallon sports utility vehicle would set you back an additional $10.50 per tankful!
- **Trucking Costs:** For truckers, the problem is compounded. At one point this year, diesel fuel costs exceeded $2.10 in the northeast. Nationally, diesel fuel averages $1.50 per gallon. It now costs the typical trucker an additional $150 to $200 to fill his/her tank. With consumption rates of 200 to 400 gallons per 24 hours, these additional costs add up and are passed on to shippers and families in the form of higher shipping and retail prices.
- **Airline Tickets:** The current rise in fuel prices already has increased airline costs by about $75 per passenger per domestic round trip. Further increases in fuel prices mean even higher costs to the airlines — and to passengers as well.

American families should not be forced to bear the full brunt of the Clinton Administration's failed energy policies. In the long-term, the Administration should embrace Congress's efforts to reduce our dependence on foreign oil. In the short term, Congress can reduce the price of fuel by cutting federal fuel taxes. More than 25 percent of the price of today's gallon of gas comes from federal and state excise taxes (and diesel taxes are higher). That cost includes the infamous Clinton 4.3 cent fuel tax approved by the Democrat-controlled Congress back in 1993. Vice President Gore cast the tie-breaking vote for it in the Senate. With fuel prices headed to more than $2.00 per gallon, President Clinton should work with Congress to repeal his 1993 fuel tax increase. America's motorists, truckers, and consumers would thank him.

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